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**Testimony in Support of HB 5898**  
**Transportation and Commerce Committee**  
**February 18, 2009**

Good morning chairpersons DeFronzo and Guerrero, Ranking members Boucher and Scribner and members of the Transportation and Commerce Committee.

I appreciate the opportunity to testify in support of House Bill 5898, An Act Concerning the Privatization of Connecticut's Airports.

As you can see, HB 5898 is short on details. It simply allows the state to sell airport operations to a private company. Our hope is that this simple proposal might jumpstart a dialog about the potential for privatizing airports that are currently run by the state.

Governor Rell and many others have talked about the importance of returning government to its core functions. I believe that the state should not be in the business of managing airports. I would go a step further and say that a private company with expertise in airport management would be better able to maximize the potential of places like Bradley Airport. This can only help our state's economy in the long-run.

In the short-term, our state is facing unprecedented financial decline and our legislature needs to consider different and creative ways to solve the state's budget problem. Cuts in vital state services and increases in taxes and fees would only perpetuate our economic problems and these things should be considered only as a last resort. While it would not be the single solution to our state's troubles, significant revenue from the sale of airport operations would certainly put us in a better position.

The Federal Aviation Authorization Act of 1996 established an airport privatization program which authorizes the U.S. Department of Transportation to grant exceptions from certain statutory and regulatory requirements that might otherwise make privatization unattractive. The state could be exempt from having to repay any federal grants or assistance the state received for operating the airport as long as the it is used for its original intended purpose. It would allow the state to use all proceeds from the lease or sale of airport land for non airport purposes, allowing the state to focus efforts on priority projects (i.e. rail and bridge construction or paying of state debt). Private operators would be eligible to receive Airport Improvement Program (AIP) entitlement and discretionary grants, collect Passenger Facility Charges, and charge reasonable fees. The goal of privatization is to increase operating efficiencies, increase airport revenues and improve amenities.

Connecticut would not be the first to privatize its airports. Recently, Chicago's Midway Airport received final approval from the FAA to enter into a 99-year lease agreement with a private provider, Midway Investment and Development Co., totaling \$2.5 billion. Much of the revenue will go to pay for Chicago's infrastructure costs.

In closing, I believe that privatizing our airports is an idea worth considering as a means of helping us resolve our current financial trouble, as well as a way of improving operation of the airport, which could give the state's economy a boost over the long haul.

I respectfully request the committee's favorable consideration of this proposal and its open mindedness to new funding solutions like this one. I would be more than happy to answer any questions you may have. Thank you.